

Introduced by Senator CedilloJanuary 7, 2003

An act to amend Section 18855 of the Revenue and Taxation Code, relating to taxation.

LEGISLATIVE COUNSEL'S DIGEST

SB 43, as introduced, Cedillo. Taxpayer contributions: Emergency Food Assistance Program Fund.

Provisions relating to the administration of personal income taxes allow individual taxpayers to contribute amounts in excess of their tax liability for the support of specified funds or accounts.

Under existing law, taxpayers are allowed, for taxable years beginning on or after January 1, 1999, and before January 1, 2004, to designate on their tax returns that a specified amount in excess of their tax liability be transferred to the Emergency Food Assistance Program Fund. The fund is subject to appropriation by the Legislature, as specified.

This bill would extend the operation of these provisions until January 1, 2009.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 18855 of the Revenue and Taxation
- 2 Code is amended to read:
- 3 18855. (a) This article shall remain in effect only until
- 4 January 1, ~~2004~~ 2009, and as of that date is repealed, unless a later



1 enacted statute, which is enacted before January 1, ~~2004~~ 2009,
2 deletes that date.

3 (b) If, in any calendar year, the Franchise Tax Board estimates
4 by September 1 that contributions described in this article made on
5 returns filed in that calendar year will be less than two hundred
6 fifty thousand dollars (\$250,000) for taxable years beginning in
7 1999, or the adjusted amount specified in subdivision (c) for
8 subsequent taxable years, as may be applicable, then this article is
9 repealed with respect to taxable years beginning on or after
10 January 1 of that calendar year. The Franchise Tax Board shall
11 estimate the annual contribution amount by September 1 of each
12 year using the actual amounts known to be contributed and an
13 estimate of the remaining year's contributions.

14 (c) For each calendar year, beginning with calendar year 2000,
15 the Franchise Tax Board shall adjust, on or before September 1 of
16 that calendar year, the minimum estimated contribution amount
17 specified in subdivision (b) as follows:

18 (1) The minimum estimated contribution amount for the
19 calendar year shall be an amount equal to the product of the
20 minimum estimated contribution amount for the prior September
21 1 multiplied by the inflation factor adjustment as specified in
22 paragraph (2) of subdivision (h) of Section 17041, rounded off to
23 the nearest dollar.

24 (2) The inflation factor adjustment used for the calendar year
25 shall be based on the figures for the percentage change in the
26 California Consumer Price Index received on or before August 1
27 of the calendar year pursuant to paragraph (1) of subdivision (h)
28 of Section 17041.

29 (d) Notwithstanding the repeal of this article, any contribution
30 amounts designated pursuant to this article prior to its repeal shall
31 continue to be transferred and disbursed in accordance with this
32 article as in effect immediately prior to that repeal.

